

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 97-239-C - ORDER NO. 98-1028
DECEMBER 23, 1998

IN RE: Proceeding to Establish Guidelines for an Intrastate Universal Service Fund.) ORDER DESIGNATING
) GTE AS AN ELIGIBLE
) TELECOMMUNICATIONS
) CARRIER

This matter comes before the Public Service Commission of South Carolina (the Commission) on the request of GTE South, Inc. (GTE or the Company) for an Order designating the Company as an Eligible Telecommunications Carrier (ETC) in South Carolina in accordance with the new Federal Communications Commission's (FCC's) guidelines. Such a designation would allow GTE to receive federal universal service support.

GTE notes in its request that the FCC's original Order required carriers to offer Lifeline customers toll limitation services at no charge. Toll limitation was defined as toll blocking, which allows customers to block outgoing calls, and toll control, which allows customers to limit in advance their toll usage per month or billing cycle. The FCC allowed the state commissions to grant carriers technically incapable of providing these toll limitation services a transitional period during which they may receive federal universal support while they complete upgrades to their switches so that they can provide such services. On November 24, 1997, the Commission granted such a waiver to GTE

until 1-1-99 and granted a waiver to the Coalition Companies until such time as the FCC acted upon reconsideration requests of its Universal Service Order.

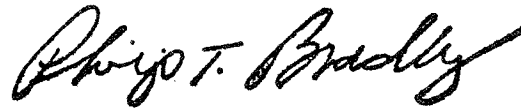
On December 30, 1997, the FCC released its Fourth Order on Reconsideration therein changing its requirement to qualify as an ETC to include either toll blocking or toll control. GTE is currently providing toll blocking to its customers, however toll control will not be available until sometime in 1999. The FCC's decision makes the toll control waiver a moot point since providing this service is no longer a requirement to be designated as an ETC.

Given the expiration of the Commission-approved waiver on 1-1-99, GTE requests that this Commission issue an Order designating that GTE is an Eligible Telecommunications Carrier in South Carolina in accordance with the new FCC guidelines, prior to the end of 1998.

Considering the provisions of the FCC's Fourth Order on Reconsideration which changed its requirement to allow in the alternative either toll blocking or toll control as a prerequisite for designation of a Company as an ETC, and considering that GTE presently provides toll blocking to its customers, we hereby designate GTE South, Inc. as an Eligible Telecommunications Carrier.

This Order shall remain in full force and effect until further Order of the
Commission.

BY ORDER OF THE COMMISSION:



Chairman

ATTEST:


Executive Director

(SEAL)